

## AGENDA



Thursday, April 5, 2007

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 21

**Subject:** Authorize award, negotiation, and execution of a 36-month requirements service contract with BANK OF AMERICA, Austin, TX, for depository services in an estimated amount not to exceed \$575,388, with two 12-month extension options in estimated amounts not to exceed \$201,465 for the first extension option, and \$206,501 for the second extension option, for a total estimated contract amount not to exceed \$983,354.

**Amount and Source of Funding:** Funding in the amount of \$93,540 is available from Investment Pool Income for Fiscal Year 2006-2007. Funding for the remaining 30 months of the original contract period and extension options is contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Vikie DeLuyck, MSW, Senior Buyer/974-2003.

**Purchasing Language:** Best evaluated application of three applications received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

The State of Texas municipal depository law requires that the governing body of municipalities designate a bank, credit union, or savings association to provide depository services.

An application for depository services was issued on January 16, 2007, with applications due on February 6, 2007. Three applications were received. An evaluation team consisting of six professional and managerial staff from the Financial & Administrative Services Department and Austin Energy reviewed and scored the applications. The panel members recommended Bank of America as the application most advantageous to the City based upon the following evaluation categories: 1) Lowest Cost to the City, 2) Implementation Plan and 3) Services. Bank of America has extensive experience and expertise in providing a full range of cash management services including deposits, check collection, check disbursement, payroll direct deposit, electronic funds transfer, securities safekeeping, and clearance.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/0

**PROPOSAL ANALYSIS**

- a. Adequate competition.
- b. Thirty-three notices were sent, including one WBE. There are no known MBEs available for this service. Eight application packets were issued. Three applications were received, with no response from the WBE. One No Response was received.
- c. It is anticipated that with Bank of America the City will see a monthly reduction in banking fees of approximately \$6,400 from the monthly average of \$21,985. Savings of approximately \$230,000 are projected over the initial three year contract period, based on the current level of transactions and a growth factor of 2.5% in years 2 and 3.

APPROVAL JUSTIFICATION

- a. Most advantageous application to the City.
- b. The Purchasing Office concurs with the FASD, Treasury Office's recommended award.
- c. Advertised in the Austin-American Statesman and Internet.